Part 201 Meeting Summary

September 25, 2006 Sheraton Hotel Lansing, Michigan

Welcome and Introduction

The meeting began at 10:00 AM.

Department of Environmental Quality (DEQ) Director Steve Chester welcomed and addressed the group, giving background on how this initiative started. He said there was a general feeling across the regulated community that an opportunity existed to improve the Part 201 process in a manner similar to the streamlining of the air quality permitting and review process. While Michigan has a nationally recognized brownfield and redevelopment process, there is concern about the time it takes to get permits through the process. Roundtable discussions were held with stakeholders and department staff over 10 months, and participants developed a white paper on areas for potential improvement. There was recognition, however, that more people should be brought into the discussion. This Phase II Part 201 Discussion Group was formed to look at the challenges and considerations the Roundtable identified, to bring other issues to the table, and to develop recommendations to the DEQ.

Director Chester noted that the Discussion Group is intentionally very diverse, with nearly every major law firm represented as well as most of the major consulting firms that deal in cleanup and redevelopment issues. The group will be tasked with providing perspective on the program's strengths and challenges. He asked that participants come with open minds and consider all the perspectives offered. Working together, this group can come up with meaningful changes to this program to increase both the number of cleanups as well as regulatory compliance and reduce the program's complexity. He also suggested exploring what tools, incentives, and strategies will improve Michigan's brownfield program.

It has been said that aspects of this program may seem to conflict, and Director Chester said these need to be dealt with. The DEQ is charged with protecting public health and safety, but there is an issue of timeliness for the developer and the need to turn around the property. Director Chester stressed that funding is not an issue this group will look at. Building upon the work of the Roundtable, the Discussion Group will bring its list of issues to the table, and it is Director Chester's hope that participants will come together, remain open-minded, and provide some honest vetting of issues to help this program improve.



Process, Roles, and Logistics

Bill Rustem, President and CEO of Public Sector Consultants (PSC), walked the group through the process, roles of participants, and logistics of the Discussion Group.

Based on the result of the initial Roundtable discussions, four work groups have been formed in the areas of liability, brownfields, program administration, and complexity. PSC staff will be facilitating and chairing each of the subcommittees, playing the role of the unbiased mediator to move things along and work out compromises. Rustem stressed that all legislative and administrative changes are on the table for discussion. Work groups will each meet approximately five times by March 2007. The DEQ staff will be invited to attend all meetings to provide information and answer program-related questions and will also provide a "primer" to the Part 201 process for those that need it.

Rustem then reviewed the Protocol for Operations of the Part 201 Discussion Group (attached).

Presentations*

Establishing Common Ground—Work Group Issues to Consider

Lynelle Marolf, Assistant Division Chief of the Remediation and Redevelopment Division (RRD) of the DEQ, provided a history and background of the Discussion Group process to date and the relevant DEQ-RRD programs, the history of the regulatory framework development and funding mechanisms, and the DEQ objectives for the Cleanup and Redevelopment Program.

Overview of PhaselRoundtable Discussion

Bruce Rasher from Consumers Energy reviewed the results of the initial Roundtable discussion and outlined each of the issues and questions for discussion within the four work group topic areas.

Questionnaire Results/DEQ Issues

Bill Rustem outlined the results of the Discussion Group survey that was conducted to tease out participants' expectations for the process and priority issues to be addressed.

Uniform Environmental Covenants Act

Michael Kerr, Deputy Director for the National Conference of Commissioners on Uniform State Laws, introduced the Uniform Environmental Covenants Act (UECA) that is beginning to be discussed or adopted in many states across the nation. (For the full text of the act and the presentation, visit www.environmentalconvenants.org.)

*Presentations are available upon request from Amy Spray at Public Sector Consultants, 517-484-4954 or aspray@pscinc.com



Work Groups Meet and Greet

Work groups met to discuss potential meeting dates, information needs, and items each work group will be addressing.

Discussion/Public Comment

There were no participants for the public comment portion, so the meeting adjourned at 3:00 PM.

Protocol for Operations of the Part 201 Discussion Group

WORK GROUP AND SUBGROUP MEETINGS

- Meetings will begin on time.
- Discussion Group members will be present at scheduled meetings. To assure continuity, no alternates may sit in the place of a Discussion Group member.
- Discussion Group members have been selected because of their expertise, not because of their affiliation. Please check your client/affiliation at the door.
- PSC will prepare meeting summaries and e-mail them to Discussion Group members. Discussion Group members' comments will not be attributed in the summaries.
- DEQ will provide a website where meeting schedules and meeting summaries will be posted.
- The Discussion Group shall work toward general consensus recommendations (a consensus-reaching process document will be distributed during the recommendations phase).
- Minority reports will not be contained in the final report of the Discussion Group.
- Meetings and documents produced will be open to the public.
- E-mail will be the primary means of communications to Discussion Group members. Please make sure PSC and DEQ have your current e-mail address.

DISCUSSION GUIDELINES

- We will acknowledge one another as equals in the discussion.
- We will stay open to each other's perspective.
- We will not criticize the ideas of another, but will offer our own ideas that might be different.
- We will slow down so we have time to think and reflect.
- We will remember that this process allows us to think together and expect the process to be messy at times, particularly given the complexity of the issues with which the Discussion Group will be grappling.

PUBLIC INPUT

- Public input will be received at the end of each subgroup meeting.
- Persons desiring to provide input will be restricted in the time allowed based upon the number of people desiring to speak.



- Each person desiring to offer input will be requested to fill out a public input card and provide it to PSC staff prior to the start of the public input period.
- Summaries of public input will be included in the meeting summary, which will be emailed to Discussion Group members and posted to the DEQ website.
- Public input will also be received in writing:
 - Facsimile: 517/484-6549
 - Mail: Part 201 Discussion Group, c/o Public Sector Consultants Inc., 600 W. Saint Joseph St., Suite 10, Lansing, MI 48933-2267
 - E-mail: aspray@pscinc.com
- All input received will be reviewed and considered, but **will not** receive a personal reply.